SECRET

CENTRAL INTELLIGENCE AGENCY

9 April 1956

MEMORANDUM FOR: Mr. Allan Evans (OIR)

Colonel H. J. Lemley, Jr., USA (AC/SI)

Captain B. E. Wiggin, USN (ONI)

Colonel W. B. Sawyer, USAF (AFOIN-2B2) Colonel C. H. Dayhuff, Jr., USA (JIG)

SECRET:

NIE 36.5-56: THE OUTLOOK FOR US INTER STS IN LIBYA

- 1. The attached terms of reference were agreed on at the meeting of the IAC representatives on 6 April.
- 2. It is requested that contributions be received in this office by the close of business on 27 April. Each agency, according to its competence, is invited to contribute to any section of the paper.

STAT

WILLIAM P. BUNDY
Deputy Assistant Director
National Estimates

Distribution "B"

SECRET

- SECRET

CENTRAL INTELLIGENCE AGENCY

9 April 1956

SUBJECT: TERMS OF REFERENCE: NIE 36.5-56: THE OUTLOOK FOR US INTERESTS IN LIBYA

THE PROBLEM

To estimate probable developments in Libya over the next few years and their impact on US interests, particularly US base rights.

SCOPE

We envisage a short paper concentrating on those probable developments which will have a significant affect on US interests generally and on the status of US bases in Libya in particular. Although the paper will include a general survey of trends and probable developments in Libya and will supersede the section on Libya in NIE 71-54, "Probable Developments in North Africa," 31 August 1954, it will not be a country paper in the usual sense of the term.

SECRET

SECRET

QUESTIONS BEARING ON THE PROBLEM

I. INTERNAL OUTLOOK

A. Discuss briefly the principal internal factors likely to affect political stability and the arms and attitude of the government over the next few years. This section should include a discussion of such matters as the basis of power of the present regime, the roles of the King and Ben Halim, the strength of the "nationalist" or pro-Egyptian elements, the likelihood of a major rift between Tripolitania and Cyrenaica, the role, strength, and effectiveness of the security forces, economic strengths and weaknesses, the extent of Libya's likely future dependence on outside aid, etc.

II. FOREIGN ORIENTATION

A. What factors, including those in Paragraph I above, are likely to influence the foreign policies of Libyan governments over the next few years and how are relations likely to develop between Libya, on the one

- 2 -

SECRET

SECRET

hand, and the US, the UK, France, the USSR, Egypt and the anti-Baghdad Pact Arab States; and Iraq, Turkey, and Italy; and the emerging states of French North Africa.

B. More specifically:

- 1. To what extent is Libya likely to come under Egyptian influence?
- 2. Under what circumstances and to what extent is Libya likely to accept Bloc economic and political overtures?
- 3. How strong are Libya's ties with the US and the UK and to what extent will the maintenance or strengthening of these ties depend on continuance or increase of US and/or UK subsidies and assistance?

III. THE STABILITY OF THE US-UK BASE POSITION

A. What is the present popular and governmental attitude regarding US and UK bases in Libya? Is serious pressure for repudiation or limitation of US or UK base and operating rights likely to arise within the next few

- 3 -

SECRET -

years? At a later date? What are the prospects for Libya's permitting more extensive US base activities, including the stationing of ground forces? How would the status of the Arab-Israeli problem affect Libyan attitudes?

- B. Are anti-Western or pro-Communist elements likely to pose a serious threat to the physical security of the bases or to US-UK ability to operate them?
- C. How great is the danger that the security of the bases will be threatened by a deterioration or breakdown of government authority?

_), _